

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Public Services – Treasuries and Accounts Department – Guntur District – Fraudulent drawal of Rs.3,35,714/- at Sub-Treasury, Guntur on fake PPOs - Departmental Proceedings against Sri O. Mark, ATO (Retd.) - Imposition of a punishment of withholding of 30% of his pension permanently – Orders – Issued.

FINANCE (ADMN.I.VIG.) DEPARTMENT

G.O.Rt.No. 4366

Dated: 10-11-2008

Read the following:-

1. DTA Lr.No.K (1) 4/15240/01, dated 28-08-2004.
2. G.O.Ms.No.639, Finance (Admn.I) Deptt., dt.13-9-2004.
3. G.O.Rt.No.2526 Finance (Admn.I) Deptt., dt.13-9-2004.
4. DTA Lr.No.K (1) 4/15240/01,dt.25.5.05 along with the explanation of Sri O. Mark, A.T.O (Retd.).
5. G.O.Rt.No.3895, Finance (Admn.I) Deptt., dt.29-10-05.
6. DTA Lr.No.K (1) 4/15240/01,dt.13.10.06 along with Enquiry report of Sri D.Surendra, DD, DTO, Kakinada.
7. Govt. Memo No.22047/16/A1/Admn.I.Vig./04, Dt:21.2.07.
8. DTA Lr.No.K (1)4/15240/01, dt.17-4-2007 along with defence statement of Sri O.Mark Asst. Treasury Officer (Retd.)
9. Govt. Memo No.22047/16/A1/Admn.I.Vig./04,Dt:21 5.07.
10. DTA Lr.No.K (1) 4/15240/01,dated 21-6-2007 along with the explanation of Sri O.Mark ATO (Retd)
11. Letter No.122047/16/A1/Admn.I.Vig/2004 dated 20-11-2007 addressed to Secretary, APPSC.
12. Secretary, APPSC Lr.No1726/RT-1/3/07 dated 4-02-2008

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ORDER:-

In the reference 1st read above, the Director of Treasuries and Accounts has informed that a case of fraudulent drawal of Rs.3,35,714/- in the name of a fake pensioner Smt. B. Mangamma was detected at Sub-Treasury, Guntur in 8/2001. The Deputy Director, District Treasury, Guntur and Regional Joint Director of Treasuries and Accounts, Region-II, Kadapa have enquired into the matter and found that Sri K.Ramachandra Rao, Senior Accountant, who was dealing with the pension subject is the prime accused in this case. He, himself introduced Smt.B.Mangamma, the fake pensioner, to the Banks and got opened two pension accounts in her name in Andhra Bank, Sreenagar Colony, Guntur and State Bank of India, Arundalpet, Guntur vide Account No. P-340 and 4008 respectively. Another account in Indian Bank, Brodipet Guntur vide Account No.15071/P2 was opened in the name of the same pensioner and pensioner was introduced to the Bank by Sri K.Satya Murthy, STO, Sub-Treasury, Guntur. The three fraudulent drawls commenced in the months of 4/2000, 5/2000 and 7/2000 and continued upto 2001.

2. The following Treasury personnel who have approved the Pay Bank Lists, wherein the names of fake pensioner Smt. B. Mangamma was included in the pay bank lists during the period from 01-04-2000 to 30-06-2001 with fictitious PPO Numbers, are responsible for these drawals in the case of irregular payment of pension on the fake pensioner by name Smt. B. Mangamma.

1. Sri O.Mark, ATO (Retd)
2. Sri Sk.Ghan Saida, STO (Retd)
3. Sri K.Satya Murthy, STO (Retd)
4. Sri M.A, Samad, STO
5. Sri P.Poornachandrarao, STO
6. Sri. K.Ramachandra Rao, SA

3. In the G.Os. 2nd & 3rd read above departmental proceedings were initiated against Sri O.Mark, ATO (Retd.) under Rule 9 of A.P. Revised Pension Rules. The following article of charge was framed against Sri O.Mark ATO (Retd) and he was directed to submit his written statement of defence.

Sri O. Mark, ATO (Retd) while functioning as Asst. Treasury Officer, Sub-Treasury, Guntur has irregularly approved the pension of the fake pensioner by name Smt B.Mangamma with fictitious PPO numbers, in pay Bank lists during the period from 12/2000 to 6/2001 of the Sub-Treasury, Guntur, and thereby facilitated the said fake pensioner to draw three pensions in three different banks and thus caused pecuniary loss to the Government.

4. In his defence statement Sri O.Mark ATO (Retd) stated that he has joined duty at Sub-Treasury, Guntur in the Month of November, 2000 and the fraudulent drawls of fake pension were already commenced in the month of 4/2000 i.e. before his joining. His predecessors have opened the accounts in the name of the fake pensioner and continued payment of pension to the fake pensioner blindly on fictitious PPOs. After his joining, he detected the same and stopped further payments from 7/2001 and the entire amount was recovered from the fake pensioner. Hence, he has requested to drop the charge framed against him.

5. In the reference 5th read above, Government have appointed Sri D. Surender, Deputy Director, District Treasury, Kakinada as Inquiry Authority to conduct regular inquiry into the charges levelled against the above Treasury personnel of Divisional Sub-Treasury, Guntur in connection with irregular payment of pension to Smt. B.Mangamma with fictitious PPO Numbers through three bank Branches and through pay bank list for the period from 4/2000 to 6/2001 as the explanation of the individual submitted vide reference 4th cited, was not satisfactory. The Inquiry Authority conducted inquiry and submitted his report vide reference 6th read above wherein he found that out of (6) Charged officers, the charges framed against the following four charged officers were proved substantially beyond any doubt.

1. Sri O.Mark, ATO (Retd)
2. Sri K.Satya Murthy, STO (Retd)
3. Sri M.A, Samad, STO
4. Sri. K.Ramachandra Rao, Senior Accountant

6. The Inquiry Authority, in his report stated that after thorough verification of the records, replies furnished by the Charged Officer in reply to the charge memo, deposition during the inquiry and keeping in view of the observations made by the Presenting Officer it is found that Sri O.Mark, ATO (Retd), Sub-Treasury, Guntur District has failed to supervise the payments made under pensions with fictitious PPO Nos. and signed on the pay bank lists without observing the variations in payments in successive months, no proper watching for receipt of Life Certificates. Had he took initiation for stoppage of pension payments for the cases for which Life Certificates were not received, the fake pension payments would have stopped in the month of January 2001 itself. Instead the Charged Officer has sent the pay bank lists regularly in a callous manner without observing the receipt of Life Certificates in violation of Rules/Instructions issued by the Government from time to time, which caused pecuniary loss to the Government to a tune of Rs.3,35,714/-. Hence, the charge levelled against Sri O.Mark ATO (Retd) held proved. In the reference 7th read above, Sri O.Mark ATO (Retd) was directed to explain as to why a suitable punishment should not be imposed under Rule 9 of A.P. Revised Pension Rules 1980 as the Charge framed against him was proved.

7. In the reference 8th cited, the DTA has furnished the explanation of the Charged Officer. The Charged Officer in his explanation stated that he worked in the Treasury Department for 35 years in various capacities as Junior Accountant, Senior Accountant, STO, and while working as STO at Macherla during 2000, he was promoted as Asst. Treasury Officer and posted to Sub Treasury, Guntur. He has reported as Assistant Treasury Officer at Sub-Treasury, Guntur in the month of November 2000 and worked there for a period of one and half year and retired on 30-6-2002. He has discharged his

duties in his whole service of 35 years with absolute sincerity, integrity, devotion, discipline, and impartiality and with a sense of propriety. The fake pensioner case of B.Mangamma was commenced in the month of April, 2000, that is before 8 months of his reporting as ATO at Sub-Treasury, Guntur. The main culprit in this case is Sri K.Ramachandra Rao, Senior Accountant and criminal case is pending against him in the court of law for having committed this fraud. Sri K.Ramachandra Rao, Sr. Accountant under suspension colluded with Sri K.Satyamurthy, Sub Treasury Officer and other Sub Treasury Officers in their office before his reporting for duty and committed this fraud. There are nearly 12,000 pension cases in this Sub-Treasury in addition to other subject cases. As such, there is pressure of work in this Sub Treasury. The job woks for ATO, STO were not allotted by DTO, Guntur. Hence, the STO in their office are making side initials on the bills passed by the Accountants and got the payment orders by the ATO, so as to avoid their responsibility even though the Sub Treasury Officers themselves are the disbursing authority. The Accountant Sri K.Ramachandra Rao and the Sub Treasury Officer, knowingly and intentionally made him a scope goat to issue payment orders so as to involve him in this fake pension case of B.Mangamma. He is the person who came to know the fake pension payments to B.Mangamma, through three different banks and reported to the Banks and stopped further payment and informed the same to the District Treasury Officer, Guntur. He have also made good and recovered the entire amount of Rs.3,35,724/- from the fake pensioner B.Mangamma. He has not committed any fraud intentionally but if there is any procedural lapse on his part it is only due to heavy pressure of work. Therefore, he has requested to consider his case on humanitarian grounds and requested to drop further action in the matter.

8. Government, after careful examination of the Article of Charge framed against Sri O.Mark ATO (Retd) and his written statement of defence with reference to the findings of the Inquiry Authority and his explanations found that Sri O.Mark ATO (Retd.) has failed to supervise the payments made under pensions with fictitious PPO Nos. and signed on the pay bank lists without observing the variations in payments in successive months, no proper watching for receipt of Life Certificates. Had he taken initiative for stoppage of pension payments for the cases for which Life Certificates were not received, the fake pension payments would have stopped in the month of January 2001 it self. The Charged officer has sent the pay bank lists regularly in an callous manner without observing the receipt of Life Certificates in violation of Rules/Instructions issued by the Government from time to time. Hence, the charge levelled against Sri O.Mark ATO (Retd.) was held proved. Accordingly, Government have come to a provisional conclusion to impose a punishment of withholding of entire pensionary benefits permanently under Rule 9 of A.P. Revised Pension Rules, 1980 for the charge, which has been conclusively proved against him and issued a final show-cause notice to the Charged Officer Sri O.Mark, ATO (Retd.) directing him to submit his explanation vide reference, 9th read above.

9. In the reference 10th read above, the Charged Officer while reiterating his earlier explanations submitted the following points for consideration.

1. By the time he joined as ATO, Sub-Treasury, Guntur the said bogus pensioner Smt.B. Mangamma was introduced to the three banks by the Senior Accountant concerned and the STO and the payment was being continued from April 2000 and he was not aware of the existence of a bogus pension in the Sub-Treasury.
2. At the time he took the charge as ATO, Sub-Treasury, Guntur there are nearly 12000/- pensioner in the Sub-Treasury, Guntur and the State of affairs was not encouraging owing to the handling of PPOs in a pell-mell condition. Monthly lists of payment were signed under force with a view not to cause inconvenience to the pensioners.
3. He had addressed the Managers of three Banks to furnish particulars of Smt. B.Mangamma, suspecting to be a bogus pensioner as the same name was found in the three Banks Lists.

In his explanation, he also stated that the Bank Managers were addressed from Sub-treasury on 03-07-2001 to stop her pension with immediate effect and furnish her bio-data and other particulars. The bank had stopped her pension with immediate effect by 03-07-2001 and furnished another letter submitted to them on 25-8-2001 for furnishing of her Bio-data and her present address where she was residing. The three banks were requested to stop the pension and to recover the entire amount drawn by her from the Sub-Treasury. She had failed to produce the life certificate in the month of Nov-2000. The then Senior Accountant and STO failed to ascertain from her in the month of November-2000. As such, the entire amount drawn by her without PPOs held up by remitting the amount in the SBI Guntur. Further, Sri O.Mark stated that the entire amount drawn by her was remitted in the Bank and Challans were furnished. As such there was no loss caused to the Government. Therefore, he has requested to reconsider the decision of withholding of pensionary benefits by considering above position and to drop further action against him.

10. Government, after careful examination of the Charge framed against Sri O. Mark ATO (Retd), his written statement of defence, findings of the Enquiry Officer, his explanation on the findings of Enquiry Officer and other connected material evidence found that the contentions put forth by the Charged Officer are not convincing. There was clear lapse on the part of the Charged Officer and the Charge framed against him was proved substantially beyond any doubt in the inquiry. Therefore, Government have come to a provisional conclusion for imposition of a punishment of withholding of entire pensionary benefits permanently under Rule 9 of AP Revised Pension Rules, 1980 on Sri O.Mark, ATO (Retd.) and referred the matter to the Andhra Pradesh Public Service Commission, Hyderabad for their concurrence vide reference 11th read above.

11. The Andhra Pradesh Public Service Commission, Hyderabad in reference 12th read above concurred with the proposal of the Government for imposition of a punishment of withholding of entire pensionary benefits permanently under Rule 9 of A.P. Revised Pension Rules, 1980.

12. Further, on representation of the Charged Officer, Government have re-examined the case, with reference to the and material evidence on file and felt that the penalty proposed to be imposed on the Charged Officer is disproportionate when compared to the gravity of the culpability. Therefore, Government have decided to impose a penalty of withholding of 30% his pension permanently on Sri O.Mark, ATO (Retd.), keeping in view of his culpability.

13. Government, accordingly, hereby impose a punishment of withholding of 30% of pension permanently on Sri O.Mark, ATO (Retd.) under Rule 9 of A.P. Revised Pension Rules, 1980.

14. The Director of Treasuries and Accounts, A.P., Hyderabad shall take necessary further action in the matter accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

To

The individual through the Director of Treasuries & Accounts, A.P., Hyderabad.

The Director of Treasuries & Accounts, A.P., Hyderabad.

Copy to:

The Accountant General, A.P., Hyderabad.

The Secretary, Andhra Pradesh Public Service Commission, A.P., Hyderabad

The Secretary, A.P. Vigilance Commission, A.P. Secretariat, Hyderabad..

The Deputy Director, District Treasury, Guntur District.

SF/SC

// FORWARDED BY ORDER //

SECTION OFFICER